

March 17, 2009

OBEY SPONSORS MEASURE TO PULLBACK AIG BONUSES

WASHINGTON, D.C. - Seventh District Congressman Dave Obey (D-WI) announced that he is co-sponsoring a measure introduced in the House today that would impose a substantial tax on bonuses paid to employees of corporations that receive Troubled Asset Relief Program (TARP) funds, like those made by American International Group (AIG).

"Sometimes you have to hit someone over the head with a 2 x 4 to get your point across. Companies that have to ask U.S. taxpayers to help keep their companies solvent shouldn't be turning around and handing out million dollar bonuses to their employees," said Obey. "The U.S. Government may not have the authority to void legally binding contracts, but we can certainly use the tax code to make sure that corporate executives aren't rewarded for their bad decisions."

The measure would subject any bonus paid out by a company that received funds under the Wall Street bailout to a 95 percent tax. "This is one time when we can use the IRS to help average taxpayers for a change," Obey added.

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